

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on the 5th day of June, 1996

Served: June 10, 1996

Ninety-day Notice of

SIMMONS AIRLINES, INC. d/b/a AMERICAN EAGLE

under 49 U.S.C. 41734 and 14 CFR Part 323 of intent to terminate service at Rockford, Illinois

Application of

SIMMONS AIRLINES, INC. d/b/a AMERICAN EAGLE

under 49 U.S.C. 40109 for an exemption from the 90-day notice requirement to terminate service at Rockford, Illinois

Docket OST-96-1349

Docket OST-96-1350

ORDER

On May 6, 1996, Simmons Airlines, Inc. d/b/a American Eagle filed a 90-day notice of its intention to suspend its subsidy-free service at Rockford, Illinois, effective August 4, 1996. Simmons Airlines is providing five daily nonstop round trips between Rockford and Chicago O'Hare with 34-seat Saab aircraft. In addition to Simmons Airlines' service, Midwest Express Connection/Skyways Airlines operates four daily nonstop round trips between Rockford and Detroit, using 19-seat Beechcraft aircraft and Express Airlines operates three daily nonstop rountrips between Rockford and Minneapolis/St. Paul, using 19-seat Jetstream equipment.

The carrier has also requested that the Department grant it an exemption in order to allow it to terminate service short of the full 90-day notice period, effective August 1, 1996.

Rockford's current essential air service definition, as set forth in Order 84-8-20, August 10, 1984, requires two daily nonstop or one-stop round trips to the alternate hub cities of Chicago, Denver or Detroit providing 62 seats in each direction. Flights meeting our essential air

service guidelines should be operated with two pilots and with aircraft having at least two engines, conventional cabin access through an airstair door or similar type of access, and a least 15 passenger seats. Flights should also be operated at reasonable times taking into account the needs of passengers with connecting flights at such airports and at rates, fares and charges which are not excessive when compared to the generally prevailing fares of other air carriers for like service between similar pairs of points.

Simmons Airlines is a certificated air carrier and was required to file its notice because its proposed termination of service would result in a reduction of the total available seats of all the carriers linking

Rockford to FAA-designated hubs by 33 percent. Section 323.3 (5) of the Department's economic regulations requires that carriers file a 90-day notice if their proposed termination of service would result in a reduction of total seats linking an eligible essential air service point to FAA-designated hubs by 33 percent or more.

In support of its request to suspend service on less than 90-days' notice, Simmons Airlines states that Rockford will continue to receive scheduled service from two remaining carriers. Multiple daily nonstop round trip flights to Detroit and to Minneapolis/St.Paul will be provided by Midwest Express Connection/Skyway Airlines and Express Airlines respectively. The carrier further states that the termination of Rockford service is motivated by economic factors which require the deployment of its aircraft to other markets and that to allow Simmons Airlines to terminate its service on August 1, 1996, is consistent with the public interest.

After careful consideration of this matter, we have decided to grant Simmons Airlines' exemption request and allow the carrier to terminate its Rockford service on August 1. We have confirmed with local civic officials that they do not object to the three-day early service termination proposed by Simmons Airlines. Although losing its Chicago air service, the Rockford community will retain air access to the gateway cities of Detroit and Minneapolis. In addition, the Rockford service area, because of its reasonable proximity to O'Hare (approximately 70 highway miles via Interstate 90) has a useable surface access alternative available.

As a final matter, before Simmons Airlines suspends service, we expect it to contact all passengers that hold reservations for flights that will be suspended, to inform them of the suspension and the availability of alternative service by Express Airlines in the Minneapolis market and by Midwest Express Connection/Skyway Airlines in the Detroit market, and to assist them in arranging alternative transportation.

This order is issued under authority delegated in 49 CFR 1.56(i).

ACCORDINGLY;

- 1. The Department takes no action to prohibit Simmons Airlines, Inc. from terminating its scheduled service at Rockford, Illinois, effective August 4, 1996;
- 2. The Department grants the relief sought by Simmons Airlines, Inc. in its application for an exemption from the requirement to provide 90-days' advance notice of its proposed termination of scheduled service at Rockford, Illinois, effective August 1, 1996; and
- 3. The Department will serve a copy of this order on the City of Rockford, the Rockford County Airport, the Illinois Bureau of Aeronautics, Simmons Airlines, Express Airlines and Midwest Express Connection/Skyway Airlines.

By:

CHARLES A. HUNNICUTT

Assistant Secretary for Aviation and International Affairs

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